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**N.J.A.C. 7:27D**  
**Global Warming Solutions Fund Rules**

Statutory authority: N.J.S.A. 26:2C-37 et seq., and 26:2C-50 et seq.

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## **SUBCHAPTER 1. GENERAL PROVISIONS**

### **7:27D-1.1 Purpose**

- (a) This chapter establishes:
1. A priority ranking system for the EDA, BPU, and the Department to use when allocating funds from the Global Warming Solutions Fund;
  2. The process for determining whether new electric generation facilities are state of the art; and
  3. The procedure by which the Department will allocate funds from the Global Warming Solutions Fund through the Department's Local Government Greenhouse Gas Reduction Program.

### **7:27D-1.2 Definitions**

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Act” means the Global Warming Solutions Fund law, N.J.S.A. 26:2C-50 et seq.

“BPU” means the New Jersey Board of Public Utilities.

“Carbon dioxide equivalent” means the quantity of a given greenhouse gas multiplied by its global warming potential.

“Co-benefits” means benefits that result or are expected to result from a project or program other than a net reduction in greenhouse gas emissions, net reduction in energy use, or net sequestration of carbon. Co-benefits include, but are not limited to, the creation of job opportunities, reduction of air pollutants other than greenhouse gases, reduction of the costs of electricity or natural gas to consumers, improvements in local electric system reliability, and the contribution to regional initiatives to reduce greenhouse gas emissions.

“Department” means the New Jersey Department of Environmental Protection.

“EDA” means the New Jersey Economic Development Authority.

“Global warming potential” or “GWP” means a measure of the radiative efficiency (heat absorbing ability) of a particular gas relative to that of carbon dioxide (CO<sub>2</sub>) after taking into account the decay rate of each gas (the amount removed from the atmosphere over a given number of years) relative to that of CO<sub>2</sub>.

“Global Warming Response Act” means N.J.S.A. 26:2C-37 et seq.

“Global Warming Solutions Fund” or “Fund” means the fund established under N.J.S.A. 26:2C-50 administered by the Treasurer, State of New Jersey, that contains monies received as a

result of any sale, exchange or other conveyance of allowances through a greenhouse gas emissions allowance trading program; monies appropriated by the Legislature; and any return on investment of monies deposited in the fund.

“Greenhouse gas” means CO<sub>2</sub>, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and ethers and halogenated ethers that are listed in Table 1B of N.J.A.C. 7:27-21.2(a).

“Local government agency” is one or a cooperating combination of the entities set forth at N.J.A.C. 7:27D-4.1(b)1 through 3.

“Measurable” means that a quantitative value can be assigned based on a method that is sufficiently well described to be repeatable and for which the quantitative value determined by any application of that method will not differ significantly from the value determined by any other application of that method. Generally, a significant difference in this context is a meaningful difference in a practical sense, as opposed to a statistical sense, and should be considered to be a difference of greater than five percent from one measurement to another. However, a difference greater or less than five percent may be appropriate or acceptable depending on the degree of precision and/or accuracy of available methods of measurement, as determined by the EDA, BPU or the Department. The measurement method need not be an actual physical measurement method requiring sampling or analytical equipment, but may be based on quantities that can themselves be reliably measured or estimated and are typically reported or recorded such as kilowatt hours of electricity; volume, mass, or energy content of identified fuels.

“Measurable reduction” means a reduction of a measurable quantity of greenhouse gas emissions or energy use such that there is 95 percent confidence that the quantity of the greenhouse gas emissions or energy use under the direct influence of a project or program area is less by a meaningful or practical amount as a result of the completion of the project or program area than it was prior to the inception of the project or program area. If a 95 percent or higher level of confidence is not achievable due to a lack of precision and/or accuracy of available and appropriate methods of measurement, a level of confidence acceptable to the EDA, BPU or the Department, as applicable, shall be used.

“Net reduction” means a measurable reduction that includes in its evaluation all preliminary steps, accessory supplies, materials, equipment, and other inputs any of which is estimated to the satisfaction of the EDA, BPU, or the Department to contribute at least five percent of the total quantity of emissions, energy use or other parameter associated with the actions that take place because of the project or program area and are not likely to take place without the implementation of the project or program area associated with the reduction.

“Net sequestration” means a sequestration of carbon that includes in its evaluation all preliminary steps, accessory supplies, materials, equipment, and other inputs any of which is estimated to the satisfaction of the EDA, BPU, or the Department to contribute at least five percent of the total quantity of carbon flows associated with the actions that take place because

of the project or program area and are not likely to take place without the implementation of the project or program area associated with the sequestration.

“Project” means a discrete undertaking or series of undertakings that have a tangible result designed to implement or further all or a portion of a program area.

“Program area” means a policy or category of projects identified by the EDA, BPU or the Department, in accordance with this chapter, as eligible for funding from the Global Warming Solutions Fund, and which reflects each agency’s initial policy determination as to how to allocate the resources of the Fund to effectuate the purposes of the Act as outlined for each agency in N.J.S.A. 26:2C-51(b). A program area may consist of one or more projects, or may include no project. For example, a program area that provides direct financial assistance to electricity customers in the low-income or moderate income residential sector is a policy, and may not involve a project per se.

“Sequestration” means the measurable transfer of carbon from the atmosphere or from a flux entering the atmosphere (such as power plant exhaust) by a physical, chemical or biological process to a repository that is expected to contain and thus prevent the subsequent release to the atmosphere of 99 percent or more of that carbon for a period not less than 20 years.

“Significant contribution to the achievement of the State’s 2020 Global Warming Response Act limit” means a measurable reduction of greenhouse gas emissions of more than 1000 metric tons per year carbon dioxide equivalents, as established pursuant to the Global Warming Response Act.

“Significant contribution to the achievement of the State’s 2050 Global Warming Response Act limit” means a measurable reduction of greenhouse gas emissions of more than 1000 metric tons per year carbon dioxide equivalents, as established pursuant to the Global Warming Response Act.

“Thermal efficiency” means the useful electricity output of a facility, plus the useful thermal energy output of the facility, expressed as a percentage of the total heat input to the facility, based on the high heating value of the fuel.

“Uncertainty” means the range of a measured quantity or estimated quantity within which the true value is expected to fall with a specified level of confidence.

“Useful electricity” means the net electric energy produced for market or for use by an entity or entities other than the electric production facility itself.

“Useful thermal energy” means the net thermal energy produced for market or for use by an entity or entities other than the electric production facility itself.

### **7:27D-1.3 Severability**

If any subchapter, section, subsection, provision, clause, or portion of this chapter, or the application thereof to any person, is adjudged unconstitutional or invalid by a court of competent jurisdiction, such judgment shall be confined in its operation to the subchapter, section, subsection, provision, clause, portion, or application directly involved in the controversy in which the judgment was rendered and it shall not affect or impair the remainder of this chapter or the application thereof to other persons.

## **SUBCHAPTER 2. PROGRAM AREA DETERMINATION, PRIORITY RANKING, AWARD, AND REPORTING SYSTEM**

### **7:27D-2.1 Determination of eligible program area**

(a) EDA, BPU and the Department shall each separately identify, in accordance with (b) through (d) below, eligible program areas which that agency intends to fund using its portion of the Global Warming Solution Fund.

(b) For EDA, a program area is eligible for funding from the Global Warming Solutions Fund if it provides a grant or other financial assistance to support commercial, institutional or industrial entities to develop, stimulate or reward investment in:

1. An end-use energy efficiency project;
2. A new, efficient electricity generation facility that is state of the art in accordance with N.J.A.C. 7:27D-3, State of the Art Electric Generating Facility; including but not limited to energy efficiency and renewable energy applications;
3. A combined heat and power production facility; or
4. An innovative carbon emissions abatement technology with significant carbon emissions reduction or avoidance potential.

(c) For BPU, a program area is eligible for funding from the Global Warming Solutions Fund if it is designed to reduce electricity demand or costs to electricity customers in the low and moderate income residential sectors with a focus on urban areas, including efforts to address heat island effects and reduce impacts on ratepayers attributable to the implementation of the Act, N.J.S.A. 26:2C-50 et seq.

(d) For the Department, a program area is eligible for funding from the Global Warming Solutions Fund if it is designed to promote local government efforts to plan, develop and implement measures to reduce greenhouse gas emissions, or enhance the stewardship and restoration of the State's forests and tidal marshes that provide important opportunities to sequester or reduce greenhouse gases.

(e) Each agency shall make a program area determination for a purpose authorized for that agency in (b) through (d) above, after consideration, as applicable, of the predicted ability of the program area(s) to:

1. Result in a net reduction in greenhouse gas emissions in the State or in greenhouse gas emissions from electricity produced out of the State but consumed in the State or result in a net sequestration of carbon;
2. Result in significant reductions in greenhouse gas emissions relative to the cost of the program area(s) and the reduction of impacts on ratepayers attributable to the implementation of Global Warming Response Act, and the ability of the program area(s) to make a significant contribution to the achievement of the State's 2020 Global Warming Response Act limit and a significant contribution to the achievement of the State's 2050 Global Warming Response Act limit, relative to the cost of the program area(s);
3. Reduce energy use;
4. Provide co-benefits to the State;
5. Be directly responsive to the recommendations submitted by the Department to the Legislature pursuant to the Global Warming Response Act; and
6. Otherwise advance the environmental, economic and public health and welfare needs of the State.

(f) In addition to the criteria in (e) above, the BPU may determine to provide funding to one or more program areas that provide direct financial assistance to electricity customers in the low-income or moderate income residential sector, based on consideration of the potential hardship to individual customers within that sector and the extent to which direct financial assistance could reduce or eliminate that hardship for customers receiving such assistance. Any such financial assistance shall be accompanied by efforts by the BPU to encourage reduction in energy demand and greenhouse gas emissions that may include, but are not limited to, performance of energy efficiency audits, targeted assistance for implementation of energy efficiency measures, and/or direct outreach and education regarding financial benefits of energy efficiency.

#### **7:27D-2.2 Project award criteria**

(a) For each project within a program area that the EDA, BPU, or the Department has determined to be eligible for funding from that agency's percentage of the Global Warming Solutions Fund in accordance with N.J.A.C. 7:27D-2.1, the agency funding the project shall assign priority points based on the factors listed in (b) below. The assignment of priority points shall reflect the degree to which a proposed project furthers the goals of the New Jersey Energy Master Plan, the Global Warming Response Act and the Act. A program area that provides direct financial assistance to electricity customers in the low-income or moderate income

residential sector, or that enhances the stewardship and restoration of the State's forests and tidal marshes, does not involve a project and is not subject to the requirements of this section.

(b) EDA, BPU and the Department shall assign priority points as follows:

1. Each agency may assign a maximum of 50 points based on the extent to which the agency predicts a project will:

i. Produce a net reduction in greenhouse gas emissions in the State or produce a net reduction in greenhouse gas emissions from electricity produced out of the State, but consumed in the State;

ii. Result in a significant, measurable reduction in greenhouse gas emissions relative to the cost of the project and the reduction of impacts on ratepayers;

iii. Significantly contribute to the achievement of the State's 2020 greenhouse gas emissions limit established by the Global Warming Response Act, relative to the cost of the project; and/or

iv. Significantly contribute to the achievement of the State's 2050 greenhouse gas emissions limits established by Global Warming Response Act, relative to the cost of the project.

2. Each agency may assign a maximum of 30 points based on the extent to which the agency predicts a project will result in benefits other than direct reductions of greenhouse gas emissions, as follows:

i. Except with regard to EDA's funding of a new combined heat and power production facility or an increase in the electrical and thermal output of an existing combined heat and power production facility, a measurable reduction in energy use;

ii. A net sequestration of carbon;

iii. Co-benefits to the State; and/or

iv. Responsiveness to the recommendations submitted by the Department to the Legislature pursuant to the Global Warming Response Act.

3. Each agency may assign a maximum of 20 points based on the extent to which the agency expects the project to provide an added benefit because:

i. The project has not been previously funded in whole or in part by the State, the Federal government, or other entity;

ii. The project is expected to produce results that could be readily replicated by others in New Jersey and elsewhere;

iii. The project is expected to provide measurable data or quantitative information important to future efforts to reduce greenhouse gas emissions or energy use;

iv. The project demonstrates readiness to proceed through achievement of milestones including, but not limited to control of land, permitting, and financial commitments;

v. The developer or owner of the project demonstrates the experience and capacity to complete the project;

vi. The project is financially feasible and sustainable and demonstrates ability to leverage funding from the Fund with private investment; and/or

vii. The project accomplishes or is expected to accomplish other results that are consistent with the agency's mission in accordance with its enabling statutes.

### **7:27D-2.3 Ranking and evaluation.**

(a) After each agency assigns points to eligible projects in accordance with the project award criteria at N.J.A.C. 7:27D-2.2, it shall rank the projects on a priority list, with the project assigned the most points ranking first, except as set forth in (b) below.

(b) Notwithstanding the project award criteria at N.J.A.C. 7:27B-2.2, each agency retains the discretion to fund a project if it concludes that such a project provides an exceptional opportunity to advance the science of climate change, greenhouse gas emissions control or energy use reduction, to provide some significant environmental or public benefit, or to address extraordinary circumstances, provided that the project otherwise meets the purposes and goals of each agency as set forth in the Act.

### **7:27D-2.4 Measurability**

(a) Program areas and projects to be funded from the Global Warming Solutions Fund shall include in their design a method to ensure that the reductions of greenhouse gas emissions or energy use, or other benefits that are achieved or are expected to be achieved by the project or program area for its duration are measurable. The method to ensure that reductions or other benefits are measurable may be based on existing or otherwise readily available information, such as records of fuel or electricity use, and to the extent feasible as determined by the funding agency, shall:

1. Be sufficient to allow the funding agency to assess baseline quantities, quantitative reduction goals, and quantities of reductions resulting from, or expected to result from, the project or program area; and



2. Include an estimate of the uncertainty associated with measured or estimated baseline quantities, quantitative reduction goals, and quantities of reductions.

#### **7:27D-2.5 Agency disclosure of benefits, funding and program area or project status**

(a) At least every two years the EDA, BPU and Department shall make publicly available (by posting on the respective agency's website) the following information for each program area or project funded during the two-year period that ends no more than six months before the date the information is made publicly available:

1. Greenhouse gas emissions reductions, or expected greenhouse gas emissions reductions, and/or energy use reductions, or expected energy use reductions;
2. Funding provided or expected to be provided; and
3. The status of the project or program area and the estimated completion date.

#### **7:27D-2.6 Condition of funding award**

Funding shall not be disbursed for a program area or project that requires Federal, State, or local permits or other approvals pursuant to a Federal, State, or local statute until such permits and approvals are obtained.

### **SUBCHAPTER 3. STATE OF THE ART ELECTRIC GENERATING FACILITY**

#### **7:27D-3.1 State of the art electric generating facility**

(a) An electric generation facility is state of the art for purposes of N.J.A.C. 7:27D-2.1(b)2, if it:

1. Is a facility whose primary activity is the production of useful electricity or the production of useful electricity and useful thermal energy;
2. Demonstrates advances in the art of air pollution control in accordance with N.J.A.C. 7:27-22.35 for a major facility and in accordance with N.J.A.C. 7:27-8.12 for other facilities; and
3. If the useful thermal energy produced by the facility is 16 percent or less of its total heat input, the efficiency of the electricity production process shall meet one of the following efficiency thresholds:
  - i. For a facility less than or equal to 40 megawatts of capacity, a heat rate of 7000 or less Btu consumed per kilowatt hour of useful electricity produced;

- ii. For a facility greater than 40 megawatts of capacity and less than or equal to 120 megawatts of capacity, a heat rate of 6700 Btu or less consumed per kilowatt hour of useful electricity produced;
  - iii. For a facility greater than 120 megawatts of capacity and less than or equal to 240 megawatts of capacity, a heat rate of 6550 Btu or less consumed per kilowatt hour of useful electricity produced; or
  - iv. For a facility greater than 240 megawatts of capacity, a heat rate of 6200 Btu or less consumed per kilowatt hour of useful electricity produced.
- 4. If the useful thermal energy produced by the facility is greater than 16 percent of its total heat input, the overall efficiency of the facility shall meet one of the following efficiency thresholds:
  - i. For a facility less than or equal to 20 megawatts of electric generating capacity, an overall thermal efficiency, considering both useful electricity and useful thermal energy, of at least 65 percent; or
  - ii. For a facility greater than 20 megawatts of electric generating capacity, an overall thermal efficiency, considering both useful electricity and useful thermal energy, of at least 70 percent.
- 5. The heat rate, that is, the Btu consumed per kilowatt hour of useful electricity produced as specified in (a)3 above, shall be determined according to International Organization for Standardization (ISO) conditions representing the continuous power output rating that can be counted upon for 6000 or more hours of operation per year at 59 degrees Fahrenheit, sea level, and 60 percent relative humidity, without exceeding normal gas turbine wear and maintenance.
- 6. Heat input shall be determined based on the low heating value of the fuel used at ISO conditions set forth at (a)5 above.

## **SUBCHAPTER 4. LOCAL GOVERNMENT GREENHOUSE GAS REDUCTION PROGRAM**

### **7:27D-4.1 Purpose and applicability**

(a) This subchapter establishes the policies and procedures for the distribution of grant funds that the Department disburses from the Global Warming Solutions Fund through the Local Government Greenhouse Gas Reduction Program, which promotes local government agency efforts to plan, develop and implement measures to reduce greenhouse gas emissions.

(b) Only a local government agency is eligible for funding from the Department's Local Government Greenhouse Gas Reduction Program. For purposes of this program, a local government agency must be one or a cooperating combination of the following:

1. A contracting unit under the Local Public Contracts Law, N.J.S.A. 40A:11-2(1);
2. A board of education under the Public School Contracts Law, N.J.S.A. 18A:18A-2a; or
3. A county college under the County College Contracts Law, N.J.S.A. 18A:64A-25.2b.

(c) Eligible projects are those that allow a local government agency to conduct and implement an energy efficiency program, renewable energy program, distributed energy program, or land use planning where the grant or assistance results in a measurable reduction of the emission of greenhouse gases or a measurable reduction in energy demand.

(d) Allowable project costs include equipment, materials, supplies, printing and professional services. Disallowed costs include costs for acquisition of real property and charges for time spent by local government agency employees and any costs associated with or expended by volunteers in the course of volunteers' involvement on a project.

### **7:27D-4.2 Notice of grant availability**

(a) The Department will publish a notice of grant availability on the Department's web page announcing the availability of grant funding under the Local Government Greenhouse Gas Reduction Program. The notice will include:

1. A request for project applications;
2. Program area priorities in accordance with N.J.A.C. 7:22-2.1 and as further defined by the Department according to measured greenhouse gas reduction progress at the time of the announcement;
3. Guidance to potentially interested local government agencies concerning the available grant funding, including the purpose of and eligibility for the available grant funding;

4. The procedure for applying for a grant and a description of the evaluation criteria and scoring process;
5. A schedule of deadlines for submittal of the preliminary application of interest and application, and an estimate of the timeframe for award of grant(s);
6. Application evaluation criteria and scoring process; and
7. The template grant agreement for the project.

#### **7:27D-4.3 Amount of a grant**

- (a) The amount of the grant shall be determined at the time of award. The amount of the grant shall be based upon allowable project costs as described at N.J.A.C. 7:27D-4.1(d). In a given grant cycle, the Department may set a maximum grant amount in order to ensure that a reasonable number of awards are made Statewide, and/or that funding is made available to a range of project types.
- (b) The Department may determine to fund some or all of the eligible projects, or to otherwise allocate full or partial funding among eligible projects, in light of the availability of funds and the evaluations and rankings pursuant to N.J.A.C. 7:27D-2.2, 2.3 and 4.7.

#### **7:27D-4.4 Preliminary application of interest**

- (a) An interested local government agency shall submit a preliminary application of interest to the Department at the address at N.J.A.C. 7:27D-4.5(e), within the time period provided in the notice of grant availability issued in accordance with N.J.A.C. 7:27D-4.2.

1. Information to be submitted in the preliminary application shall include:

- i. The name of the local government agency and contact information;
- ii. A project summary, including consistency with program priorities defined in the notice of grant availability and the benefit in terms of greenhouse gas emissions reduction and/or reduction in energy demand to be derived from the project; and
- iii. The total grant amount requested.

- (b) The Department will review a project proposed in a preliminary application of interest for its consistency with the eligibility requirements of the Local Government Greenhouse Gas Reduction Program, as identified in the notice of grant availability issued pursuant to N.J.A.C. 7:27D-4.2

- (c) The Department will notify in writing each local government agency whose preliminary application of interest is determined to meet the grant eligibility requirements, and invite such local government agency to submit an application in accordance with N.J.A.C. 7:27D-4.5.

(d) The Department's determination that a preliminary application of interest meets the grant eligibility requirements shall not affect or bind the Department's evaluation of a grant application or the award of any grant pursuant to N.J.A.C. 7:27D-4.7 and 4.8.

#### **7:27D-4.5 Application procedure**

- (a) Each application for funding from the Local Government Greenhouse Gas Assistance Program shall be submitted to the Department on a form provided by the Department within the time period set forth in the notice of grant availability issued in accordance with N.J.A.C. 7:27D-4.2, and shall include full and complete documentation.
- (b) Applications that are incomplete or do not otherwise comply with this section will not be considered, and the applicant will be so advised.
- (c) A complete application shall include the following:
  - 1. Identification of the local government agency, including address and contact information;
  - 2. The total grant amount requested;
  - 3. A detailed description of the project for which grant funding is sought, including:
    - i. The project title;
    - ii. A statement of project objectives;
    - iii. Project, scope of work, schedule of activities, outputs and outcomes;
    - iv. Proposed contractor and qualifications, including prior experience with the proposed project or program area;
    - v. A proposed budget, including personnel, operational and contractual costs; and
    - vi. A description of how the proposed project relates to any larger or similar effort being undertaken by the local government agency and any other funding being allocated to carry out the proposed project;
  - 4. A demonstration of measurability in accordance with N.J.A.C. 7:27D-2.4;
  - 5. An identification of all permits and approvals required for completion of the project, and anticipated dates that the permits and approvals will be obtained;

6. Whether the proposed project will result in the creation of jobs and, if so, a description of and estimate of the number of jobs;
7. Whether the project can be replicated by another local government agency;
8. A description of any educational value the project may offer;
9. A resolution passed by the governing body authorized by law to make expenditures and authorize the execution of contracts for the local government agency. If more than one local government agency is applying for funding through a single application, a resolution is required on behalf of each; and
10. Such other information as the local government agency would like the Department to consider in reviewing its application.

(d) A local government agency's application for funding under this section constitutes the local government agency's agreement to abide by the terms and conditions of the grant agreement.

(e) The application shall be submitted to the following address:

Department of Environmental Protection  
Office of Planning and Sustainable Communities  
PO Box 402  
401 East State Street  
Trenton, NJ 08625

#### **7:27D-4.6 Use and disclosure of information**

Preliminary applications of interest, grant applications, and other submittals in accordance with this subchapter, when received by the Department, constitute government records of the Department. The Department shall make such records available to persons who request them, to the extent required by New Jersey law.

#### **7:27D-4.7 Evaluation of grant application**

(a) The Department shall notify the local government agency that the Department has received the grant application and is evaluating it pursuant to this section. Each grant application shall be subject to:

1. Administrative review to determine the completeness of the grant application. Grant applications determined to be administratively incomplete will be rejected, no further review will be conducted, and the submitting local government agency will be notified in writing of the rejection.

2. Program and technical evaluation in accordance with the criteria of N.J.A.C. 7:27D-2.2 and 2.3.
3. Budget evaluation to determine whether the proposed project or program costs are allowable.

(b) At any time during the evaluation process, except during the review for completeness of a grant application in accordance with N.J.A.C. 7:27D-4.7(a)1, the Department may request that the local government agency furnish documents or information as necessary to determine the compliance of the application with the requirements of this chapter. The Department may suspend its evaluation until such additional information or documents are received.

#### **7:27D-4.8 Grant award**

(a) After review and evaluation of an application, the Department shall notify the local government agency in writing as to its determination regarding the application for grant funding.

(b) If a local government agency is not awarded a grant, it may resubmit its application, with or without modification, as a new application in response to a subsequent notice of grant availability issued in accordance with N.J.A.C. 7:27D-4.2.

#### **7:27D-4.9 Execution of grant agreement**

(a) Upon execution of the grant agreement by the Department, the Department shall transmit the grant agreement (certified mail, return receipt requested) to the local government agency for execution.

(b) Within 30 calendar days after it receives the grant agreement from the Department, the local government agency shall execute the grant agreement and return it to the Department at the address set forth at N.J.A.C. 7:27D-4.5(e) so that the Department receives the fully executed agreement within the 30 calendar day period.

(c) The Department may allow an additional period of time for the local government agency to return the grant agreement, not to exceed 30 days, on the written request of the local government agency, setting forth how much additional time is required, and the reason therefor. The request must be received by the Department at the address set forth at N.J.A.C. 7:27D-4.5(e) before the expiration of the initial 30 calendar day period, set forth at (b) above.

(d) The individual identified in N.J.A.C. 7:27D-4.5(c)9 shall execute the following certification, as part of the grant agreement, on behalf of the local government agency.

“I, (name), (title), certify that I am authorized to make this certification on behalf of (local government agency). I further certify that (local government agency):

1. Is in compliance with all requirements and conditions of the within grant agreement;
2. Is, and shall assure that its contractors and subcontractors are, maintaining their financial records in accordance with generally accepted accounting principles and auditing standards for governmental institutions; and
3. Has not and will not enter into any contract with, nor has any subcontract been or will be awarded to any person debarred, suspended or disqualified from Department contracting pursuant to N.J.A.C. 7:1D-2 for any services within the scope of the grant agreement.

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attached documents and, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete.”

#### **7:27D-4.10 Reporting requirements**

(a) Each local government agency that is awarded a grant shall submit to the Department in accordance with the schedule set forth in the grant agreement:

1. Progress reports describing project implementation progress;
2. A final report describing project implementation success and actual or expected greenhouse gas reductions resulting from project completion; and
3. Financial reports describing and justifying project expenditures relative to the approved project budget.

#### **7:27D-4.11 Grant conditions**

(a) The following requirements are conditions of each grant payment under each grant agreement.

1. The local government agency shall comply with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.
2. The local government agency shall comply with the Local Government Ethics Law (P.L. 1991, c.29; N.J.S.A. 40A:9-22).
3. The local government agency shall comply with the Civil Rights Act of 1964 (P.L. 88-352) as well as the New Jersey Law Against Discrimination (N.J.S.A. 10:5-1 et seq.), as amended.



4. The local government agency shall comply with all pertinent requirements of Federal, State and local environmental laws.
5. The local government agency shall comply with any special conditions in the grant agreement or any amendment thereto necessary to ensure accomplishment of the project or Department objectives as set forth in the notice of grant availability.
6. No State funds shall be disbursed to a local government agency that has defaulted on any State loan. In order to facilitate full or partial payment of such defaulted loan obligation the Department may, at its discretion, make a grant payment where the State agency responsible for administering the loan in default simultaneously receives from the local government agency an amount in repayment of the defaulted loan obligation at least equal to the grant payment. Nothing in this paragraph shall in any way limit any right or duty of the Department to demand and collect at any time the total due under any such past loan.